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**STATE OF MICHIGAN  
DEPARTMENT OF CONSUMER & INDUSTRY SERVICES  
OFFICE OF POLICY & LEGISLATIVE AFFAIRS**

Date: March 21, 2001

To: Condominium purchasers, associations, developers, attorneys and other interested parties

Re: Notice of Available Remedies under the Condominium Act

**The Condominium Act provides the following remedies:**

1. A person or association of co-owners adversely affected by a violation of, or failure to comply with, the Condominium Act, administrative rules issued under the authority of the Condominium Act, or any provision of an agreement or a master deed may take action in a court with jurisdiction. The court may award costs to the prevailing party. Condominium Act, Section 115(1)
2. A developer who offers or sells a condominium unit in violation of section 21 or 84a is liable to the purchaser for damages. Condominium Act, Section 115(2)
3. A co-owner may take action against the association of co-owners to compel the association to enforce the condominium documents. To the extent that the condominium documents expressly provide, the court shall determine costs of the proceeding and the successful party shall recover those costs. Condominium Act, Section 107
4. A co-owner may take action against another co-owner for injunctive relief or for damages for noncompliance with the terms of the condominium documents or this act. Condominium Act, Section 107
5. A developer and a co-owner, or association of co-owners, may execute a contract to settle by arbitration for any claim against the developer that might be the subject of a civil action.
  - A. The association of co-owners has the exclusive option to execute a contract to settle by arbitration for any claim against the developer relating to the common elements in the amount of \$10,000 or less.
  - B. A purchaser, co-owner, or person occupying a restricted unit under section 104b, has the exclusive option to execute a contract to settle by arbitration for any claim against the developer that might be the subject of a civil action and involves less than \$2,500. A restricted unit occupied under 104b refers to a person with disabilities who is a resident of a conversion condominium project.

The period of limitations for bringing a civil action applies equally to the execution of a contract to settle by arbitration. All costs will be allocated in the manner provided by the arbitration association. A contract to settle by arbitration must specify that the arbitration association will conduct the arbitration. The method of appointment of the arbitrator will be

pursuant to rules of the arbitration association. Arbitration will be in accordance with section 5001 to 5065 of Act No. 236 of 1961, MCL 600.5001 to 5065, which may be supplemented by rules of the arbitration association. An arbitration award is binding on the parties to the arbitration. Condominium Act, Section 144

6. A condominium developer may be required to be a licensed residential builder under the Occupational Code. If a person has violated the Occupational Code or administrative rules, a complaint must be made within 18 months after completion, occupancy or purchase of a residential structure. Conduct subject to penalty is described in Article 24 of the Occupational Code, MCL 339.2411. Complaints concerning construction may be filed with:

Department of Consumer & Industry Services  
Bureau of Commercial Services  
Enforcement Division  
P. O. Box 30018  
Lansing, MI 48909  
Phone: (517) 241-9202  
[www.cis.state.mi.us/bcs](http://www.cis.state.mi.us/bcs)

7. The Michigan Consumer Protection Act prohibits certain methods, acts, and practices, provides for certain investigations and prescribes penalties. Complaints regarding an alleged violation of the Consumer Protection Act may be filed with:

Department of Attorney General  
Consumer Protection Division  
P. O. Box 30213  
Lansing, MI 48909  
Phone: (517) 373-1140  
[www.ag.state.mi.us](http://www.ag.state.mi.us)

8. The right to notify the agency in a governmental unit responsible for the administration and enforcement of construction regulations of an alleged violation of the state construction code, other applicable building code, or construction regulations.
9. A person who willfully aids in the advertisement of a statement or representation that misrepresents the facts concerning a condominium project, as described in the recorded master deed, is guilty of a misdemeanor and shall be punished by a fine or imprisonment or both. An action under this section shall be brought by the prosecuting attorney of the county in which the property is located, or by the department of attorney general. Condominium Act, Section 158

#### **Legal References**

Condominium Act, P.A. 59 of 1978, as amended, MCL 559.101 et seq.  
Condominium Rules, R559.101 et seq, 1985 Michigan Administrative Code  
Occupational Code, P.A. 299 of 1980, MCL 339.101 et seq.  
Consumer Protection Act, P.A. 331 of 1976, MCL 445.901 et seq.  
Stille-Derossett-Halle Single State Construction Code Act, P.A. 230 of 1972, MCL 125.1501 et seq.